

**DECISION**



**THE COMPTROLLER GENERAL  
OF THE UNITED STATES**  
WASHINGTON, D.C. 20548

**FILE:** B-222200.2 **DATE:** May 9, 1986  
**MATTER OF:** Falcon Management, Inc.

**DIGEST:**

Seventh-low bidder under canceled solicitation is not an "interested party" under General Accounting Office Bid Protest Regulations to protest the cancellation and subsequent sole-source award of a contract for the requirement pursuant to section 8(a) of the Small Business Act because, assuming that the protest were sustained, the firm would not be in line for award.

Falcon Management, Inc. (FMI), protests the post-bid opening cancellation of invitation for bids (IFB) No. F41800-86-BA059 issued by the Department of the Air Force for full food services at Lackland Air Force Base, Texas. FMI also protests the subsequent sole-source award by the Air Force of a contract for this same requirement to Aleman Food Services, Inc. pursuant to the Small Business Administration's (SBA) section 8(a) program.<sup>1/</sup> Essentially, FMI contends that the cancellation was improper and undertaken in bad faith and that the section 8(a) contract was awarded illegally in contravention of the SBA's Standard Operating Procedures. FMI specifically requests that the section 8(a) contract be terminated for convenience and that thereafter an award be made by the Air Force under the improperly canceled solicitation which, according to FMI, should be reinstated. We dismiss the protest.

The protest filed by FMI indicates that FMI submitted the seventh-low bid under the canceled IFB. While we have been advised by the Air Force that the two lowest bids have

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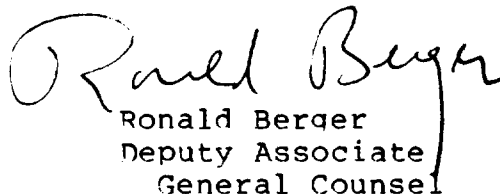
<sup>1/</sup> Section 8(a) of the Small Business Act, 15 U.S.C. § 637(a) (1982), authorizes the SBA to enter into contracts with any government agency with procuring authority and to arrange for the performance of such contracts by letting subcontracts to socially and economically disadvantaged small business concerns. The contracting officer is authorized "in his discretion" to let a contract to the SBA upon such terms and conditions as may be agreed upon by the procuring agency and the SBA.

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been disqualified or are not otherwise in line for award, this still leaves four bidders other than FMI that would be in line for award if its protest were sustained and if the canceled solicitation were reinstated, as requested by FMI. Under the circumstances, we view the protester, only the fifth-low bidder under a reinstated solicitation, as not having the "direct economic interest" that is necessary to make it an interested party under our Bid Protest Regulations. See 4 C.F.R. § 21.0(a) (1985); Logistical Support, Inc., B-208449.2, Sept. 14, 1983, 83-2 CPD ¶ 322.

FMI also argues that the Air Force, after failing to timely exercise an option in its contract for continued interim performance while the procurement was ongoing, should have negotiated the interim requirement with several firms, including FMI, that were capable of performing the work, instead of awarding the section 8(a) contract. However, there is no requirement that an agency award an interim contract for its requirements pending some other contractual actions.

The protest is dismissed.

  
Ronald Berger  
Deputy Associate  
General Counsel